P2 in Contracting Subcommittee-Meeting Minutes Highlights Washington Navy Yard 1333 Isaac Hull Avenue, SE Washington DC 20376 5 May 2003

INTRODUCTION

The participants included: Jon Pentzien, Kim Gray, Mark Pfarrer, Ben Zlateff, Tom Cook, Bert Torres and Ed Liu. Not Participating Chris Fair, Dave Cartwright, Jim McCarty, Lee Hall and Frank Caponiti

DISCUSSION OF PRODUCTS

The NAVSEA Letter recommending a guide be developed by field activities, and referenced in Section J in their contracting documents was discussed. Members of the working group provided comments. One of the major changes was to number 3, by rewording, "The intent of this guide is to simplify the ESOH requirements by pulling out the existing clauses that already appear in the other section of the contract. The new verbiage now reads, "The intent of this guide is to simplify the contracting process by consolidating in one place, site specific ESOH requirements." LTJG Pentzien is currently reviewing the letter one last time before it is submitted for signature.

REVIEW OF NARRATIVE AND DISCUSSION

The subcommittee members reviewed and provided updated status to the <u>narrative</u>. Mr. Pfarrer gave a brief synopsis of the Lessons Learned from the CVN 21 Aircraft Carrier Program. This document is a compilation of lessons learned from the CVN 21 Program in the development from scratch of their current working relationship with their sole source shipbuilder with respect to P2. It begins with a basic orientation to the CVN 21 Program to assist in understanding the context of the lessons learned. Members were provided the opportunity to provide comments to this document. The comments were taken back to the CVN 21 program for consideration. Once it has been routed through their program office, the subcommittee recommends that it be distributed to the P2 Working Group, Action 00T and/or "Currents" magazine.

The discussion topic for this meeting was Construction, Demolition and Deconstruction (CDD). LTJG Pentzien brought Mr. Ed Liu (EFA Chesapeake) to speak to us regarding CDD. Mr. Liu gave a brief overview of what CDD was along with some definitions. His presentation touched on the following subjects:

- Why use deconstruction
- The challenges
- Who uses it
- Deconstruction potential/benefits

CDD waste comprised a third of all solid waste generated by the USN in 2001. The DoD goal was to reduce solid waste by 40% of 2000 levels. Basically deconstruction is still relatively cheap (\$8+/SF, including abatement costs) and requires little planning. Even though this requires little planning, there are some challenges faced when trying to do CDD. Some of those are acknowledgement of other economic factors (cost avoidance, life cycle costs, salvage value), accommodating schedules with the different sectors, and adjusting business practices (specifications, contracting strategies) just to name a few. Currently contractors in the Pacific Northwest, US Army Corps of Engineers research/pilot programs, Habitat for Humanity and other non-profit groups use deconstruction as a means to have access to cheaper but serviceable materials.

A project was done at DC Housing Authority at Stanton and Alabama Ave SE where approximately 380 units and 90 buildings were being destroyed. A deconstruction bid competed with demolition and won on cost and community impact issues. There was an estimated cost savings of \$500,000 and a creation of 35 new jobs in the community. When the units/buildings were destroyed many of the fixtures were sold back to other industries.

If you would like more information regarding CDD please contact Mr. Liu at LiuEN@efaches.navfac.navy.mil.

ADJOURN

The next meeting will be held 24 June 2003.